

ST. MARY'S COUNTY GOVERNMENT
**COMMISSIONERS OF
ST. MARY'S COUNTY**



James R. Guy, President
Eric Colvin, Commissioner
Michael L. Hewitt, Commissioner
Todd B. Morgan, Commissioner
John E. O'Connor, Commissioner

February 26, 2019

Delegate Dereck E. Davis, Chair
Economic Matters Committee
Room 231
House Office Building
6 Bladen Street
Annapolis, MD 21401

**Re: HB 166– Labor and Employment – Payment of Wages – Minimum Wage and Enforcement
LETTER IN OPPOSITION Heard on February 8, 2019 at 1:00 p.m.**

Dear Chairman Davis:

The Commissioners of St. Mary's County oppose HB 166 – Labor and Employment – Payment of Wages – Minimum Wage and Enforcement which was heard in the Economic Matters Committee on February 8, 2019.

St. Mary's County currently uses grade and step scales for hourly employees, merit employees sworn law enforcement officers and correctional officers. The scales provide a variance between grades and a variance between steps. For example, on the merit scale a 2.5% variance exists between steps. If the minimum wage would increase from \$11.82 (grade 1, step 1 on the merit scale) to \$15.00, or by 27%, and the County kept its same scale structure and increased the minimum which is currently \$11.82 to \$15, wages would increase approximately \$12.6 million. This is because in order to keep our scale structure, the 27% increase would not only affect the lowest grade, but it would affect all grades thereafter in order to avoid salary compression and to maintain the variances between grades and steps. In addition, benefits such as FICA, workers comp, and pension will calculate based on wages, further increasing costs by \$3.5 million for a total increase of approximately \$16 million to the County. These costs will be passed on to citizens and some examples of cost increases for citizens would be higher summer camp costs and child care costs. Child Care costs would increase by \$350,000.00 and summer camp costs would increase by \$50,000.00 in St. Mary's County.

We do not believe this bill would benefit the citizens of St. Mary's County. We look forward to working with you on this and other initiatives throughout the session.

Sincerely,
COMMISSIONERS OF ST. MARY'S COUNTY

James R. Guy, President

CSMC/AB/sf
T:/ALL/Consent/2019/059

P.O. BOX 653 • CHESAPEAKE BUILDING • 41770 BALDRIDGE ST., LEONARDTOWN, MD 20650
PHONE 301.475.4200 *1350 • FAX 301.475.4935 • www.stmarysmd.com • CSMC@STMARYSMD.COM

Page 2

Delegate Dereck E. Davis, Chair
February 26, 2019

Cc: Senator Jack Bailey
Delegate Matthew Morgan
Delegate Gerald Clark
Delegate Brian Crosby
Commissioner Eric Colvin
Commissioner Michael Hewitt
Commissioner Todd Morgan
Commissioner John O'Connor
Dr. Rebecca Bolton Bridgett, County Administrator
David Weiskopf, County Attorney